deciding the point have denied recovery. *Everett* v. *London, etc. Ins. Co.*, 19 C. B. (N. S.) 126; *Laballero* v. *Home Mutual Ins. Co.*, 15 La. Ann. 217. See *Taunton* v. *Royal Ins. Co.*, 2 H. & M. 135, 138, 10 L. T. (N. S.) 156, 157. In New York, if a fire on the insured's premises causes an explosion, the insured can recover, though loss from explosion was excepted from the policy; but if the fire and explosion are on another's premises, recovery is denied. *Hustace* v. *Phenix Ins. Co.*, 175 N. Y. 292, 67 N. E. 592. Proximate causation does not explain these cases, as property lines and mere distance are not intervening causes. However, insurance policies are construed in accordance with the laws of insurance which cannot follow the chain of causation beyond business usage and the intention of the parties. The premium is fixed by certain fairly calculable elements of fire insurance. See ZARTMAN & PRICE, YALE READINGS IN INSURANCE — PROPERTY INSURANCE, ch. 8. Such a highly speculative risk as distant air concussion cannot enter into business calculations.

PUBLIC SERVICE COMPANIES — RATE REGULATION — RIGHT OF COMPANY TO INCREASE RATES FIXED BY CONTRACT. — Plaintiff brought suit in equity for specific performance of a ten-year, low-rate contract made by it with the predecessor of the defendant natural gas company in October, 1913, and for an injunction restraining defendant from cutting off its service in violation thereof, as it had done and threatened to continue to do, unless the plaintiff, a manufacturing corporation wholly dependent on this service for the operation of its plant, paid the greatly increased rates filed by defendant with the state public service commission. Defendant denied the binding force of said contract, alleging that it was discriminatory, and therefore illegal under the Public Service Company Law which took effect Jan. 1, 1914. Previous to filing the increased rates complained of, defendant had twice filed schedules at said contract rate for that class of service. *Held*, suit dismissed, and legal right of the utility company to discontinue said contract and increase rates for that service without first applying to the public service commission for permission sustained. *V. & S. Bottle Co.* v. *Mountain Gas Co.*, Pa. Sup. Ct. (June 3, 1918), 13 Rate Research, 335.

For discussion of the principles involved, see NOTES, p. 74.

TAXATION — PARTICULAR FORMS OF TAXATION — INHERITANCE TAXES — TAX ON THE TRANSFER OF POSSESSION OR ENJOYMENT. — A statute provided that an inheritance tax be imposed on all transfers of property made by a deed intended to take effect in possession or enjoyment at or after the death of the grantor. Lineal descendants were exempt. In 1911 C executed a deed to T in trust to pay the income to C during his life, then to distribute among lineal descendants of C. In 1914 an amendment to the statute abolished the exemption of lineal descendants; and in 1917 C died. *Held*, the gifts to the lineal descendants are subject to the tax. *Carter* v. *Bugbee*, 103 Atl. 818 (N. J.).

A voluntary trust completely established cannot be revoked by the settlor. *Lovett* v. *Farnham*, 169 Mass. 1, 47 N. E. 246; *Sands* v. *Old Colony Trust Co.*, 195 Mass. 575, 81 N. E. 300. The principal case follows what appears to be the settled authority that a statute taxing the receipt or transmission of possession or enjoyment is imposing a transfer tax as distinguished from a property tax imposed on ownership. *In re Green's Estate*, 153 N. Y. 223, 47 N. E. 292; *Crocker* v. *Shaw*, 174 Mass. 266, 54 N. E. 549. See 28 HARV. L. REV. 437. *Cf.* 20 HARV. L. REV. 655. However, if, as the courts admit, the execution of the deed by C gives the descendants a vested equitable interest, it is arguable that a statute passed afterward, which taxes the already vested right to a later possession or enjoyment, goes as far towards imposing a property tax as it would if taxing the receipt of possession by any remainderman or if taxing the reversion of possession to a bailor. The principal case is materially

different from those involving a tax imposed on transfers to take effect in possession after the grantor's death made by a deed executed subsequent to the statute. *In re Keeney's Estate*, 194 N. Y. 281, 87 N. E. 428; *In re Brandeth*, 169 N. Y. 437, 62 N. E. 563. In these cases no interest at all becomes vested before the enactment of the statute.

TORTS — NEGLIGENCE — LIABILITY OF A MANUFACTURER. — In a suit against a manufacturer and distributor of chewing tobacco by a consumer who contracted ptomaine poisoning therefrom, owing to a foreign substance concealed in the plug of tobacco, *held*, that the manufacturer was liable. *Pillars* v. *R. J. Reynolds Tobacco Co.*, 78 So. 365 (Miss.).

The principle that a manufacturer is not liable for negligence to a subvendee is based upon an erroneous interpretation of *Winterbottom* v. *Wright*, 10 M. & W. 109. That case was decided upon a question of pleading and stands for no such proposition. 29 HARV. L. REV. 867. So numerous are the exceptions to the general rule in favor of foods, drugs and articles imminently dangerous to human life, and so varied are the opinions as to what is imminently dangerous, that the exceptions might be said to be the rule itself. *Tomlinson* v. *Armour & Co.* 75 N. J. L. 748, 65 Atl. 883; *Bishop* v. *Weber*, 139 Mass. 411, 1 N. E. 154; *Johnson* v. *Cadillac Motor Co.*, 137 C. C. A. 279, 221 Fed. 801; *Loose* v. *Clute*, 51 N. Y. 494, 10 Am. Rep. 638; *Shubert* v. *R. J. Clark & Co.*, 49 Minn. 331, 51 N. W. 1103. That the duty of due care should be imposed only on manufacturers of foods, drugs and articles imminently dangerous to human life is illogical. If the duty exists, it ought to apply equally to all manufacturers. See CLERK & LINDSELL, TORTS, 6 ed., 513. Such was the view taken in *McPherson* v. *The Buick Motor Co.*, 217 N. Y. 382, 111 N. E. 1050. The principal case in adopting the same view as to the manufacturer and in dismissing the case as to the distributor is well decided. There was no negligence on the distributor's part in failing to discover a foreign substance concealed in the plug or sealed package of tobacco. *Julian* v. *Launbenberger*, 16 Misc. (N. Y.) 646, 38 N. Y. Supp. 1052; *Bigelow* v. *Maine Cent. R. Co.*, 110 Me. 105, 85 Atl. 396.

TRUSTS — CREATION AND VALIDITY — PRECATORY WORDS — GIFT TO EXECUTORS FOR SECRET PURPOSES. — A testator gave the residue of his estate to his executors and trustees, "in whose honesty and discretion I have reposed special trust and confidence, for certain purposes which I have made known to them, and I hereby authorize and empower my said executors to make such distribution and division of my estate as I have indicated to them, and as they shall deem proper for the fulfillment of my wishes so well known to them, relying entirely upon their judgment in the premises." *Held*, that a trust was created, and that the property resulted to the heirs at law and next of kin of the testator. *Blunt* v. *Taylor*, 119 N. E. 954 (Mass.).

Where there is a gift by will to a person, followed by precatory words in favor of other persons, modern courts tend against imposing a trust. *In re Diggles*, 39 Ch. D. 253; *Lemp* v. *Lemp*, 264 Mo. 533, 175 S. W. 618. See UNDERHILL, TRUSTS AND TRUSTEES, 7 ed., 16. But in the principal case the gift is to the executors and trustees, not beneficially, but "for certain purposes which I have made known to them." The phrase, "relying upon their judgment in the premises" defines the manner of executing the trust and leaves the executors no option to refuse performance. The existence of a trust, therefore, appears on the face of the will, and, by the weight of authority, extrinsic evidence is admissible to prove the terms thereof. *In re Huxtable*, [1902] 2 Ch. 793, 71 L. J. Ch. 876, 87 L. T. 415; *Morrison* v. *M'Ferran*, [1901] 1 I. R. 360, 35 I. L. T. R. 81. See COSTIGAN, CONSTRUCTIVE TRUSTS, 28 HARV. L. REV. 383, n. Even where the existence of a trust does not appear on the face of the will such extrinsic evidence is admissible. *Russell* v. *Jackson*, 10